

September 10, 2003

Mr. Matthew Ohl USEPA, HSRW-6J 77 West Jackson Blvd. Chicago, IL 60604-3590

Re: Enviro-Chem Superfund Site

Zionsville, Indiana

Dear Mr. Ohl:

Please find enclosed Revised Attachment Z-1 to Revised Exhibit A. This document is based on a combination of Attachment Z-1 to Revised Exhibit A originally submitted to the USEPA and IDEM on February 28, 2003, USEPA and IDEM comments provided in a letter dated April 15, 2003 and comments presented during a meetings held on June 13, 2003. Our letter dated May 9, 2003 provided responses to the April 15, 2003 USEPA letter. Attachment 1 to this submission provides a summary of our understanding of additional USEPA/IDEM comments and clarifications provided during the June 13, 2003 meeting.

If you have any questions or comments regarding Revised Attachment Z-1, please do not hesitate to give me a call.

Sincerely,

ENVIRON International Corporation

Roy O. Ball, Ph.D., P.E. Senior Vice President

ROB:sch

cc: Mr. Thomas Krueger, Esq. – USEPA

Mr. Michael Habeck – IDEM Mr. Tim Harrison – CH2M Hill Mr. Philip Smith – CH2M Hill

Mr. Norman Bernstein, Esq. – Trustee



ATTACHMENT 1 Response to June 13, 2003 Comments

In a letter dated May 9, 2003, ENVIRON provided responses to the April 15, 2003 USEPA comments. The comments and corresponding responses were organized into three categories for the June 13, 2003 presentation: 1) Major Technical Issues (Comments 1A, 1B, 1C, 4, 5, 15, 16, 19, 21, 26, 27A, 29, 32, 33 and 35); 2) Minor Technical Issues (Comments 2, 6, 8, 10, 12, 13, 17, 18, 20, 22, 23, 24, 25, 27B, 27C, 28, 30, 31, 34, 37, 38A, 38B); and Other Issues (Comments 3/14, 7, 9, 11, 36). The following has been prepared to summarize our understanding of additional USEPA and IDEM (collectively hereinafter, "Agency") comments and clarifications provided during the meeting for some of the Major Technical Issues and Other Issues. The comments contained in the April 15, 2003 comment letter and our revised responses for these issues are presented below. The responses for the Minor Technical Issues and the remaining Major Technical and Other Issues stand as presented in the May 9, 2003 letter.

I. MAJOR TECHNICAL ISSUES

Agency Comment 21

Section 2.4: The contractor should clarify how well S-4A was damaged. The well has been sampled and gauged since 1999, which is when the contractor states it was damaged, so it is unclear why it needs to be replaced. It is the most significantly contaminated sand and gravel well. If it needs to be replaced, it should be replaced by a well within 10 feet.

Response 21:

During the June 13, 2003 meeting, ENVIRON explained the likely ways in which the S-4A well had been damaged. ENVIRON proposed that the S-4A well be replaced and that the replacement well be installed approximately 50 feet to south of S-4A (i.e., down gradient of S-4A) in a low traffic area. It is ENVIRON's understanding that the Agency agreed with this proposal. The proposed location for the S-4A replacement well (S-4B) is contained within Revised Attachment Z-1.

Agency Comment 27A

USEPA Comment 27 A:Sections 3.3 and 3.4: "The contractor has proposed semi-annual surface and groundwater monitoring once the extraction trench is in place. Please include quarterly monitoring for at least five years in order to have adequate data for remedy assessment and statistical analysis. Please clarify that USEPA may also require additional samples to be collected."

Response 27A:

The monitoring associated with the Additional Work provisions of Revised Exhibit A specifies semi-annual sampling. However, as discussed, the Trustees agree to quarterly monitoring for the first two years of the Phase I Long Term Monitoring and semi-annually thereafter for 3 years. Attachment Z-1 has been revised accordingly.

Agency Comment 32

Page 20, Section 5.0: The Phase II Long Term Monitoring proposes only annual monitoring of the Unnamed Ditch. Monitoring should be semi-annual and the PRGS influent (i.e., the trench

water) and effluent. Sampling of the influent will allow for "early warning" of contamination flowing to the PRGS.

Response 32:

By the beginning of the Phase II Long Term Monitoring period, quarterly/semi-annual monitoring of Unnamed Ditch will have occurred for approximately one year during the Active Phase and for at least five years during the Phase I Long Term Monitoring period. Therefore, the five-year period of semi-annual monitoring contemplated by Revised Exhibit A will have already been exceeded (see Revised Exhibit A, Section 3.3). Further, one of the operational criteria for the completion of the Phase I Long Term Monitoring is that the quarterly/semi-annual surface water samples collected immediately down gradient from the Site are below the Acceptable Stream Concentrations. Therefore, ENVIRON believe that annual monitoring of Unnamed Ditch during the Phase II Long Term Monitoring period is sufficient.

Prior to terminating the SVE operations, the trench water, which is the influent to the PRGS, will be tested to insure that it contains no VOCs above the Acceptable Stream Concentrations. The trench water will continue to be tested on a semi-annual basis during the Phase I Long Term Monitoring period. Further, the Trustees agree to conduct annual sampling of the trench water and the effluent from the PRGS, during the Phase II Long Term Monitoring period. However, the PRGS effluent sample will only be analyzed if VOC compounds are detected in the associated surface water and/or trench water sample above the Acceptable Stream Concentrations. Attachment Z-1 has been revised accordingly.

Agency Comment 33:

Table 2: Table 2 lists 9.4 ug/L as the stream standard for 1,2-dichloroethene (total) whereas Exhibit A Table 3-1 lists the standard as 1.85 ug/L. The issue of modifying the stream standard (based on background concentration calculations completed by the Trustees) has been discussed in the past (USEPA March 1, 2001 letter to Trustees). However, the USEPA and IDEM have not approved this modification based on concerns identified in the March 1 letter and should be maintained at 1.85 ug/L.

Response 33:

This comment will be addressed separately in a formal request to USEPA to reconsider its decision.

Between August 1998 and July 1999, ENVIRON collected 12 samples from background till well T-5, background sand and gravel well S-1, and background surface water location SW-1 in Unnamed Ditch. The purpose of this sampling program was to determine appropriate background-based acceptable concentrations for subsurface water and surface water. The method used for this evaluation was specified in Footnote 4 to Table 3-1 of Revised Exhibit A, which states: "In the event that higher concentrations than those set forth for any parameter in this column are present in the upgradient surface water, then those higher upgradient subsurface water concentrations and not the values set forth in this table shall constitute the Acceptable Stream Concentrations within the meaning of this Exhibit A and the Consent Decree."

II. OTHER ISSUES

Agency Comment 3:

"...the wells should be left as is until USEPA and IDEM agree the remedy has met all the requirements and goals of the Record of Decision."

Agency Comment 14:

Page 4, Section 2.1, Well Abandonment: The Trustees have proposed an extensive program of well abandonment. Given the conditions expected at the end of Phase I, future contaminant concentrations in subsurface water may be less than current concentrations. However, given the uncertainty of the mass of contamination remaining in the onsite till and the potential variability (seasonal or otherwise) in hydraulic gradients between the till and sand zones, further monitoring of the till and sand and gravel is appropriate. If they must be removed to address the concern about short-circuiting the extraction system, the work plan should include the replacement of the wells after operation of the system has been completed.

Response 3/14:

During the June 13, 2003 meeting, the Trustees explained that there are no requirements or goals applicable to the on-site till wells under the provisions of "Additional Work" as described in the ROD amendment dated June 7, 1991 or as described in the provisions of Revised Exhibit A (Revision 2 – Section 3.3). It is ENVIRON's understanding that the Agency now agrees that these wells can be abandoned according to the schedule presented in Revised Attachment Z-1.

Comment 9:

Page 1, Item B and Page 2, Item D: The description of Phase I Long Term Monitoring states that at the end of the 5-year monitoring period, the Site will enter the Indiana Voluntary Remediation Program. Also, the description of the Closure Phase describes creation of an escrow account to pay for an additional 10 years of Long Term Monitoring. These concepts were proposed by the Trustees at a meeting with USEPA and IDEM, however the agencies are only considering them and have not approved them. It is unlikely that the Envirochem site would be permitted to enter the Voluntary Remediation Program. Please also note that the Trustees will remain liable for further contingent actions. While USEPA and IDEM have explored "cash out" options for other sites, there is currently insufficient detail provided to consider this proposal.

Response 9:

The Trustees are very willing to explore "cash out" options for the ECC Site for the period after Phase II monitoring. Attachment Z-1 has been revised accordingly. Additionally, the Trustees have been in direct contact with IDEM regarding the above. See letter to Mike Habeck, attached (Attachment 2).

Comment 36:

Appendix A, Soil Vapor and Water Treatment System: A footnote at the bottom of page A-4 indicates that groundwater collected at Third Site will be sent to the water treatment plant at Envirochem. However, the trustees for ECC and Third Site have not yet obtained USEPA and

IDEM approval for this activity. Further, the Trustees have expressed concern about the combining of the sites to facilitate this process.

Response 36:

Based on your letter dated September 4, 2003, we understand that this issue is now resolved.

ATTACHMENT 2



September 10, 2003

Mr. Michael Habeck Indiana Department of Environmental Management 100 North Senate Avenue Indianapolis, Indiana 46204

Re: Enviro-Chem Superfund Site

Zionsville, Indiana

Dear Mr. Habeck:

The purpose of this letter is to briefly describe the Trustee's proposal for "cash-out" at the ECC Site, and to request a meeting in Indianapolis with the appropriate IDEM personnel to discuss the process by which a "cash-out" could be agreed to by the parties. As you will recall, in an April 15, 2003 letter to the Trustees from USEPA, USEPA and IDEM provided the following comment regarding the proposed periods for the operation and monitoring for the Augmented SVE System:

The description of Phase I Long Term Monitoring states that at the end of the 5-year monitoring period, the Site will enter the Indiana Voluntary Remediation Program. Also, the description of the Closure Phase describes creation of an escrow account to pay for an additional 10 years of Long Term Monitoring. These concepts were proposed by the Trustees at a meeting with USEPA and IDEM, however the agencies are only considering them and have not approved them. It is unlikely that the Envirochem site would be permitted to enter the Voluntary Remediation Program. Please also note that the Trustees will remain liable for further contingent actions. While USEPA and IDEM have explored "cash out" options for other sites, there is currently insufficient detail provided to consider this proposal.

The Trustees have previously presented the context of our "cash-out" proposal. Briefly, the "cash-out" was included in the Trustees proposal to augment the existing SVE system at the Enviro-Chem Superfund Site with additional trenches (as discussed in *Attachment Z-1 to Revised Exhibit A*, dated February 2003). Attachment Z-1 proposed several distinct time periods for different phases of operation and monitoring of the Augmented SVE System. The time periods and the associated activities are:

- A. Active Phase: This is the period of active operation of the Augmented SVE System.
- B. Phase I Long Term Monitoring: This is the 5-year period beginning when the Soil Vapor Standards have been achieved in the Augmented SVE Trenches. This period may be extended, if necessary, if applicable clean-up objectives are exceeded during the monitoring period.

At the completion of the Phase I Long Term Monitoring period, the activities dictated by the Consent Decree under EPA jurisdiction will be complete. Remedial activities at the Site will continue under IDEM jurisdiction.

C. Phase II Long Term Monitoring: This is the period of 10 years following the completion of Phase I Long Term Monitoring.

The completion of the Phase II Long Term Monitoring would trigger the "cash-out". Our proposal, in general terms, is to establish an escrow in favor of IDEM in an amount equal to the total amount expended by the Trust for monitoring and maintenance during the Phase II Long Term Monitoring (adjusted for inflation and the time value of money based on published discount rates for CERCLA). In addition, the Trustees would replace the media in the PRGS (the zero-valence iron system for the cutoff trench overflow drain) with a fresh charge – equivalent to several decades of treatment capacity. IDEM could place the "cashout" monies into a separate trust with an IDEM-appointed trustee.

We hope that the above description is sufficient to describe the context and timing of the proposed "cash-out". We will contact you in the near future to schedule a meeting to explore the process and options for "cash out".

If you have any questions or comments regarding our request, please do not hesitate to give me a call.

Sincerely,

For the ECC Trustees

Roy O. Ball, Ph.D., P.E.

Senior Vice President

Environ International Corporation

ROB:sch

cc: Mr. Norman Bernstein, Esq. – Trustee

Mr. Thomas Baker, Esq. – IDEM

Mr. Bruce Oertel – IDEM

Mr. Rex Osborn – IDEM